

## PLYMOUTH CITY COUNCIL

**Subject:** Increasing opportunities for local suppliers  
**Committee:** Council  
**Date:** 25 June 2012  
**Cabinet Member:**  
**CMT Member:** Assistant Director for Democracy and Governance  
**Author:** Tim Howes, Solicitor and Monitoring Officer  
**Contact:** tim.howes@plymouth.gov.uk  
**Ref:**  
**Key Decision:** N/A  
**Part:** I

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### **Purpose of the report:**

The purpose of the report is to increase the opportunity for local suppliers to provide quotations for council contracts through increasing the value definition of low value/low risk contracts and widening the opportunities to submit quotations for those contracts.

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### **Corporate Plan 2011 – 2014:**

This report implements the 'delivering growth' priority in the corporate plan.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land**

Widening the criteria for low value contracts will reduce procurement costs.

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### **Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:**

The opportunity for increased local procurement will increase the Council's investment in the local economy.

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### **Recommendations & Reasons for recommended action:**

It is recommended Council widen access for local suppliers to its low value/low risk contracts by increasing the contract value to £100,000 and requiring two written quotations from a local supplier, rather than one. The Contract Standing Order 17.1 will therefore be amended as set out in the report.

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### **Alternative options considered and reasons for recommended action:**

The recommended action provides an opportunity to both increase the number of available contracts and increase the opportunities for local suppliers to provide quotations for such contracts.

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**Background papers:**  
Plymouth City Council Constitution

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**Sign off:**

Fin mc12 13.00 4		Leg		HR		Corp Prop		IT		Strat Proc	
Originating SMT Member Timothy Howes, Solicitor											
Have you consulted the Cabinet Member(s) named on the report? Yes / No											

### **Increasing opportunities for local purchasing**

The Council's priority is to encourage more local purchasing. One way to increase the opportunity for local suppliers to obtain orders from the Council is, in respect of low value/low risk procurements, to amend Contract Standing Order 17.1 to increase from one to two, the number of written quotations from a local supplier (from the total of three quotations required).

In addition it is recommended that the definition of 'low value' procurements be increased from £75000 to £100000 which will increase the volume of work for local suppliers.

The revised CSO 17.1 will then say:

17.1 For goods and services procurements valued below £100,000 and for non-technical works procurements valued below £200,000 a purchase requisition (available on the document library) will need to be completed detailing the full specification including manufacturers part number (if applicable), quantity, delivery date and charge codes and sent to the procurement mailbox. The operational procurement team will source at least three written quotations, two of which shall be from a local supplier where possible, utilising the chosen portal, Sell 2 Plymouth, before a formal purchase order is issued specifying the goods or services to be provided and setting out the price and terms of purchase. Faxed or e-mailed quotations are acceptable for these purposes.